

App. 000002

5. Throughout the 1990's, I sold belt buckles, key chains, pins, polo ties, and clothing depicting the Protected Work. In 2000, I was referred to Jeff Dees ("Dees") and Lone Star Silversmith, Inc. ("Lone Star"), then known as Silver Strike, Inc.

6. Lone Star is a silversmith company located in New Braunfels, Texas, which primarily creates custom designed belt buckles, trophies, ribbons, and awards, and at the time was known as Silver Strike, Inc. Dees and I entered into a verbal agreement whereby Dees' company, then known as Silver Strike, Inc., would create custom belt buckles of the Protected Work for sale through Spent Saddlery & Feeds. I explained to Dees that the Protected Work was copyright protected and was not to be used by, or sold to, anyone else. I then provided Dees and Lone Star with a copy of the Protected Work and received the buckles in return. I gave Dees and Lone Star limited rights to use the Protected Work to create belt buckles exclusively for me. No other rights were conveyed.

7. I advertised and sold the belt buckles purchased from Lone Star through my store. I also retained other silversmiths to create additional merchandise depicting the Protected Work that was advertised and offered for sale exclusively through Spent Saddlery & Feeds. I have sold, and offered for sale through advertising, items depicting the Protected Work continuously since 1990.

8. In 2008, I received a copy of Lone Star's catalogue in the mail. In the catalogue, Lone Star advertised several previously created and sold belt buckles containing the Protected Work. Additionally, the catalogue included the Protected Work as one of many available "motifs," which the customer could choose from to create a custom belt buckle. Attached as Exhibit 2 is a true and correct copy of pages from Lone Star's catalogue.

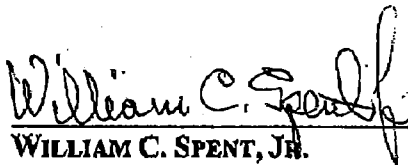
9. I visited Lone Star's website which also advertises examples of previously created and sold belt buckles that depict the Protected Work. Similar to the catalogue, the website contains a page advertising the Protected Work as an available option on their list of available motifs. Attached as Exhibit 3 is a true and correct copy of pages from the Lone Star website. Lone Star represents that "the pictured motifs are the most popular choices with our customers." The Protected Work is featured on that same page.

10. I gave limited permission to Dees and Lone Star to use the Protected Work in creating the belt buckles exclusively for my store. I did not give permission or consent to Dees or Lone Star to use the Protected Work in any other manner. However, without my knowledge, permission or consent, Dees and Lone Star have continued to create, advertise, sell and/or offer to sell items containing the Protected Work in an unauthorized manner. This unauthorized and infringing use of the Protected Work has harmed me.

11. My current income from Spent Saddlery & Feeds is less than \$1,000, which is generally consistent with previous years.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 9 day of OCTOBER, 2009.


WILLIAM C. SPENT, JR.